

ILLINOIS INTERNATIONAL PORT DISTRICT

Summary Record of Proceedings of the REGULAR BOARD MEETING August 16, 2019

The Regular meeting of the Board of Directors of the Illinois International Port District and Committee meetings were held Friday, August 16, 2019, at 3600 E. 95th Street, Chicago, Illinois.

The roll was called at 9:00 am. The following Directors were present: Michael Forde, Terry Sullivan, Ray Suarez, Aaron Del Mar, Charles Bowen, Henry Wisniewski, Paul Chialdikas, and William Habel. Terry Fitzmaurice was absent. A quorum was present.

Also present: Clayton Harris III, Executive Director; Counsel Brad Smith, Neal and Leroy; Kurt Oelerich, Treasurer.

General public present:

Maria Fattore Lazzaroni, 10th Ward Constituent Service Coordinator; Adrian Brizuela, 10th Ward; Judy Freeman, Green SEED Energy, Jim Harrington, Green SEED Energy; Terry Hardin, 160 Driving Academy; and Tim Dunn, COFCO.

Chairman Forde requested a motion to suspend the order of the Board meeting and enter into the Leases and Agreements Committee meeting followed by the Finance and Personnel Committee meeting. The motion was made by Mr. Suarez and seconded by Mr. Del Mar and the motion carried unanimously.

SUMMARY REPORT ON STANDING COMMITTEES

Committee Members Present:

Michael Forde
Paul Chialdikas
Chuck Bowen
Henry Wisniewski
Ray Suarez

Others Present:

Clayton Harris III, Executive Director
William Habel
Terry Sullivan
Aaron Del Mar
Brad Smith, Neal & Leroy
Kurt Oelerich, Treasurer

LEASES AND AGREEMENTS COMMITTEE

The Leases and Agreements Committee was held on Friday, August 16, 2019.

Old Business

NASCO Lease

Counsel Smith reported the lease terms have been updated and will be forwarded to NASCO for review and signature.

City of Chicago Agreements

Executive Director Harris reported on the CPD/CFD request to expand the helipad. Executive Director Harris has spoken with the Alderman regarding the request and she indicated she had no issues with the expansion.

Executive Director Harris reported on the CPD's request to relocate its bomb squad training operations to land to the east of its former operations. Executive Director Harris has spoken with the Alderman regarding the request and she indicated she had no issues with the relocation. The use of the land would be for two years.

Executive Director Harris reported City attorneys are preparing the appropriate documents and he should receive them for review prior to the September Board meeting.

Mr. Chialdikas asked the Executive Director to contact the Harborside team and discuss the CPD relocation and any concerns they may have regarding potential noise to the golf course.

Butler Drive TIF

Executive Director Harris III reported Swanson can no longer provide the engineering services in regards to the rail for the Butler Drive project.

Executive Director Harris III requested approval to release an updated RFP for engineering services. After discussion, the Committee recommended the Board approve the release of an updated RFP for engineering services as needed.

Old Business

COFCO Rail

Mr. Dunne of COFCO indicated the company is ready to move out wheat and move in soybean. Mr. Dunne indicated timing is now critical. He asked the Committee to approve CRL to serve as COFCO's rail carrier.

Committee members discussed a number of issues including the number of cars expected to be loaded, storage timing for soybeans, the grain market and competitor rail carrier costs.

Chairman Forde reminded the Board that CRL owes the Port approximately \$250,000 from its past operations at the Port. Chairman Forde indicated the Port staff has had discussions with CRL and the Committee will consider his request.

New Business

FTZ Application

Panasonic is requesting a new operating license. After discussion, the Committee recommended approval of the Panasonic FTZ application.

Advanced Flexible Composites Inc. is located within the Port's FTZ Zone. However, due to proximity, it would like to locate in the Rockford FTZ Zone. Counsel Smith will research this request.

Abbott Laboratory has requested approval to expand its sub zone area. After discussion, the Committee recommended approval of the Abbott Laboratory application and updating of its contract reflecting the new sub zone area.

Lease Proposals

Green SEED Energy Judy Freeman of Green SEED Energy reported the MWRD review has been completed regarding a Compressed Natural Gas facility. Although MWRD approval is still needed, Green SEED Energy has obtained financing approval for the facility. Green SEED Energy would like to move forward with leasing the former Hagermeister site. Green SEED Energy is requesting a lease agreement for the storage area to begin October 1, 2019, with hopes of having the site improved and operational by the Spring of 2020. This is all subject to MWRD approval.

160 Driving Academy. Terry Hardin presented an overview of the driving academy. The Academy is requesting the opportunity to lease approximately 2-3 acres of land at the Port. The site of interest is located south of CFD Engine Co. 80 on Doty Avenue. The site would be used by the Academy as a truck maneuver yard for driving instruction. Students coming to the site will have obtained their permits through class room instruction and would be ready to take on truck driving skill instruction with the ultimate goal of obtaining commercial driver's license (CDL). The site would hold 6-7 trucks and all training would be performed on-site. 160 Driving Academy is a large job-creator, having trained over 3,500 drivers nationwide to date in 2019.

Mr. Hardin has submitted a letter of intent for review and consideration.

New Business

Lease Proposals (continued)

All Star Fence. Executive Director Harris reported All Star Fence is interested in leasing the storage yard of the former Hagermeister site. All Star Fence has submitted a letter of intent for review and consideration

EXECUTIVE SESSION

Chairman Forde made a motion to enter Executive Session to discuss: litigation update, tenant update, and lease proposals. The motion was seconded by Mr. Del Mar and the motion carried unanimously.

Executive Session

Litigation Update – Executive Session
Tenant Update - Executive Session

Following discussion, Chairman Forde made a motion to exit Executive Session, the motion was seconded by Mr. Del Mar and the motion passed unanimously.

Chairman Forde reported that after discussion, the Committee recommended the Board approve the proposed agreements with Meiko.

There being no further business, Chairman Forde closed the Leases and Agreements Committee Meeting and opened the Finance and Personnel Committee Meeting.

FINANCE AND PERSONNEL COMMITTEE

The Finance and Personnel Committee Meeting was held on Friday, August 16, 2019.

Chairman Forde made a motion to enter Executive Session to discuss: debt refinancing update, personnel updates. The motion was seconded by Mr. Del Mar and the motion carried unanimously.

Debt Refinancing Update – Executive Session
Personnel Updates – Executive Session

Following discussion, Chairman Forde made a motion to exit Executive Session, the motion was seconded by Mr. Del Mar and the motion passed unanimously.

Monthly Financial Reports and Financial Update

Treasurer Oelerich presented the July 2019 financial reports for review. A number of points were noted and discussed, including:

- The July 2019 revenue fell above the budgeted amount.
- The July 2019 monthly total expense and year to date 2019 results fell below the budgeted amounts.
- The July 2019 Net Income exceeded the budgeted amount. Net Income for the year to date is above the budgeted amount.
- Harborside reports its to-date revenues are ahead of budgeted projections.

Following discussion, the Committee recommended approval of the July Financial Reports by the Board of Directors.

Debt Refinancing

Chairman Forde reported the Port's current Letter of Credit expires in November. Loop Capital is moving forward on the refinancing and are confident it can complete the refinancing before the November expiration.

New Business

IIPD Financial Records

Chairman Forde discussed the need to keep all records on site. Executive Director discussed further automating records. Committee members requested the Treasurer provide information on further automation. The Committee discussed the importance of oversight, security and transparency.

There being no further business for the Finance and Personnel Committee, Chairman Forde closed the Finance and Personnel Committee and opened the Regular Board Meeting.

REGULAR BOARD MEETING

The following Directors were present: Michael Forde, Charles Bowen, Ray Suarez, Terry Sullivan, Henry Wisniewski, Paul Chialdikas, William Habel, and Aaron Del Mar. A quorum was present.

Leases and Agreements Committee Report – Items Requiring Action

Chairman Forde reported that after discussion, the Committee recommended the Board approve the release of an updated RFP for engineering services related to the Butler Drive project. Chairman Forde made a motion to approve the release of an updated RFP for engineering services, as needed. The motion was seconded by Mr. Del Mar and the motion passed unanimously.

Chairman Forde reported the Committee recommended the Board approve Panasonic's request for a new FTZ operating license. Chairman Forde made a motion to approve Panasonic's request for a new FTZ operating license. The motion was seconded by Mr. Bowen and the motion passed unanimously.

Chairman Forde reported the Committee recommended the Board approve Abbott Laboratory's request to expand its sub zone area. Chairman Forde made a motion to approve Abbott Laboratory's request to expand its sub zone area. The motion was seconded by Mr. Chialdikas and the motion passed unanimously.

Chairman Forde reported the Committee recommended the Board approve the proposed agreements with Meiko. Chairman Forde made a motion to approve the proposed agreements with Meiko. The motion was seconded by Mr. Bowen and the motion passed unanimously.

Finance and Personnel Committee Report – Items Requiring Action

Chairman Forde reported the Committee recommended the Board of Directors approve the July 2019 Financial Reports. Chairman Forde made a motion to approve the July 2019 Financial Reports. Mr. Suarez seconded the motion and the motion passed unanimously.

Chairman Forde reported the Committee recommended the Board of Directors approve salary revisions for designated personnel. Chairman Forde made a motion to approve salary revisions for designated personnel. Mr. Suarez seconded the motion and it passed unanimously with one exception. Mr. Del Mar requested the minutes reflect his objection due to pension concerns.

PUBLIC COMMENT

None

ADJOURNMENT

With no other business before the Board, Chairman Forde requested a motion to adjourn. Mr. Del Mar made a motion, the motion was seconded by Mr. Forde, and the motion passed unanimously.

The next Committee meetings and regular Board meeting will take place on Friday, September 20, 2019. The meetings will be held at 9:00 am at 3600 E. 95th Street, Chicago, IL.



Michael Forde
Chairman



Kathleen Dart
Secretary